

STATE INVESTMENT BOARD
A Division of ND Retirement and Investment Office
Balance Sheet
As of 6/30/2006

	As of <u>6-30-06</u>	As of <u>6-30-05</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,568,651,856	\$ 1,458,148,767
INTERNATIONAL EQUITIES	728,736,085	751,581,435
DOMESTIC FIXED INCOME	1,827,967,399	1,627,107,621
INTERNATIONAL FIXED INCOME	175,048,602	144,258,400
REAL ESTATE	361,756,992	216,275,745
VENTURE CAPITAL	137,923,531	123,797,307
INVESTED CASH (NOTE 1)	<u>86,329,243</u>	<u>68,245,056</u>
 TOTAL INVESTMENTS	 4,886,413,708	 4,389,414,331
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	23,902,849	21,609,527
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	628,901,672	253,922,388
DUE FROM OTHER AGENCIES (NOTE 3)	<u>60,067</u>	<u>53,576</u>
 TOTAL ASSETS	 <u>\$ 5,539,278,296</u>	 <u>\$ 4,664,999,822</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	4,289,014	3,337,225
SECURITIES LENDING COLLATERAL (NOTE 2)	628,901,672	253,922,388
DUE TO OTHER AGENCIES (NOTE 4)	<u>3,312</u>	<u>3,342</u>
 TOTAL LIABILITIES	 633,193,998	 257,262,955
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	4,407,736,867	3,960,715,498
CASH IN DURING YEAR (NOTE 5)	303,218,734	222,532,897
CASH OUT DURING YEAR (NOTE 6)	263,254,971	244,278,573
NET INCREASE (DECREASE)	<u>458,383,668</u>	<u>468,767,045</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>4,906,084,298</u>	 <u>4,407,736,867</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 5,539,278,296</u>	 <u>\$ 4,664,999,822</u>

STATE INVESTMENT BOARD
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 6/30/2006

	Month Ended <u>6-30-06</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 20,422,114	\$ 133,964,663
SECURITIES LENDING INCOME	<u>2,646,021</u>	<u>23,332,376</u>
	23,068,135	157,297,039
 GAIN ON SALE OF INVESTMENTS	 57,162,160	 679,954,564
LOSS ON SALE OF INVESTMENTS	<u>38,409,300</u>	<u>258,751,445</u>
 NET GAINS (LOSSES) INVESTMENTS	 18,752,860	 421,203,119
 INVESTMENT EXPENSES	 5,759,733	 28,005,124
SECURITIES LENDING EXPENSES	2,512,442	22,252,891
SIB ADMINISTRATIVE EXPENSES	<u>49,831</u>	<u>395,754</u>
 NET INVESTMENT INCOME	 33,498,989	 527,846,389
 NET APPREC (DEPREC) MARKET VALUE	 (29,000,114)	 (66,918,718)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(572,078)</u>	<u>(2,544,003)</u>
 TOTAL INVESTMENT INCOME	 <u>3,926,797</u>	 <u>458,383,668</u>
 NET INCREASE (DECREASE)	 <u><u>\$ 3,926,797</u></u>	 <u><u>\$ 458,383,668</u></u>

STATE INVESTMENT BOARD
Notes to Financial Statements
June 30, 2006

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

NOTE 2 SECURITIES LENDING COLLATERAL

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of the RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative or contract fees and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.